

Agenda Date: 7/9/03 Agenda Item: IIIC

STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

CABLE TELEVISION

IN THE MATTER OF THE PETITION OF) <u>RENEWAL</u>
CABLEVISION OF OAKLAND, LLC FOR) CERTIFICATE OF APPROVAL
RENEWAL OF A CERTIFICATE OF APPROVAL)
TO CONTINUE TO OPERATE AND MAINTAIN)
A CABLE TELEVISION SYSTEM IN THE)
BOROUGH OF HO-HO-KUS, COUNTY)
OF BERGEN, STATE OF NEW JERSEY)
	DOCKET NO. CE03040261

Schenck, Price, Smith & King, Morristown, New Jersey, by James Eric Andrews, Esq., for the Petitioner.

Borough Clerk, Borough of Ho-Ho-Kus, New Jersey, by Judith Odo, for the Borough.

BY THE BOARD:

On November 21, 1979, the Board granted Micro-Cable Communications Corp. d/b/a UA-Columbia Cablevision of New Jersey ("UA-Columbia") a Certificate of Approval, in Docket No. 798C-6531, for the construction, operation and maintenance of a cable television system for the Borough of Ho-Ho-Kus ("Borough"). On September 27, 1990, the Board granted UA-Columbia a Renewal Certificate of Approval for the Borough in Docket No. CE89100869. Subsequently, UA-Columbia underwent internal restructuring and was doing business as United Artists Cable of New Jersey ("United Artists"). In Docket No. CO92080822, United Artists informed the Board that it would do business as TCI of Northern New Jersey ("TCINNJ"). On November 16, 1992, the Board approved the petition and recognized the name change. TCINNJ underwent further restructuring and informed the Board that it would no longer use the name Micro-Cable Communications Corp. and would now use the corporate name of TCI of Northern New Jersey, Inc. ("TCINNJ, Inc.").

On December 17, 1997, the Board approved the transfer of the Certificate of Approval for the Borough from TCINNJ, Inc. to Cablevision of Oakland, Inc. ("Cablevision"), in Docket No. CF97090674. On January 25, 2002, Cablevision informed the Board that, as part of an internal reorganization approved by the Board on January 3, 2002, in Docket No. CO00030182, it would now be known as Cablevision of Oakland, LLC ("Petitioner"). Although the Petitioner's

above referenced Certificate expired on November 21, 1999, it is authorized to continue to provide cable service to the Borough pursuant to <u>N.J.S.A.</u> 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

The Petitioner filed an application for the renewal of its municipal consent with the Borough on February 24, 1999, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. The Borough, after public hearing, adopted a municipal ordinance granting renewal consent on November 26, 2002. On January 15, 2003, the Petitioner formally accepted the terms and conditions of the ordinance in accordance with N.J.S.A. 48:5A-24.

On April 4, 2003, pursuant to <u>N.J.S.A.</u> 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate of Approval for the Borough. The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval and the municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board **HEREBY FINDS** the following:

- 1. The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval. Further, the Borough reviewed these qualifications in conjunction with the municipal consent process.
- 2. The design and technical specifications of the system shall ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
- 4. The franchise period as stated in the ordinance is ten years. The Board finds this period to be of reasonable duration.
- 5. The Borough has reserved the right to review the performance of the Petitioner with regard to the ordinance at the end of the first five years after the date of issuance of this Certificate. If the Borough determines that the Petitioner has failed to substantially comply with the material terms and conditions of the ordinance, the Borough shall provide written notice to the Petitioner of such alleged instances of non-compliance and shall grant the Petitioner six months to cure such deficiency. The Borough may petition the Board for appropriate administrative action, including revocation of the franchise or reduction of the franchise term, only after the six-month opportunity to cure has passed and the deficiency has not been cured.
- 6. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates and promptly file any revisions thereto.

- 7. Pursuant to statutory requirements, the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the Borough. In this case, it is the Office of Cable Television. All complaints shall be received and processed in accordance with the applicable rules.
- 8. The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. The current local office is located at 40 Potash Road in the Borough of Oakland, New Jersey.
- 9. The franchise fee to be paid to the Borough is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid by subscribers for its cable television reception service in the Borough. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.
- 10. The Petitioner shall install cable in all residences in the Borough at tariffed rates for standard and non-standard installation. Commercial establishments shall be constructed in accordance with the Petitioner's commercial line extension policy attached to this Certificate as Appendix "I". The Board notes here that the Petitioner included a residential line extension policy in its petition. This policy was not included in the application for municipal consent or in the Borough's ordinance, upon which this Certificate is based. Moreover, a residential line extension policy has never been employed in the Borough. Therefore, the Board declines to include a residential line extension policy in this Certificate.
- 11. The Borough's ordinance states that the Petitioner shall be required to complete an upgrade of the system serving the Borough to a minimum of 80 channels by December 31, 2002. The Petitioner has confirmed that the upgrade has been completed to 750 MHz, capable of carrying the minimum required channels.
- 12. The Petitioner shall provide public, educational and governmental ("PEG") access channels and facilities in accordance with its renewal application and the ordinance. Specifically, the Petitioner shall provide two channels for PEG access use by the Borough and other entities in the region for non-commercial PEG access usage.
- 13. Upon request of the Borough, the Petitioner shall purchase the following PEG access equipment: a) a radiant transmitter; b) a video camera; c) a VCR; d) a color TV monitor; d) a character generator; and e) concomitant cables and connections. The Petitioner shall install the equipment at a public building of the Borough's choosing, provided that it is a standard installation. The Petitioner shall also provide the additional equipment listed in the ordinance when the Borough has met the threshold usage as specified in the ordinance.

- 14. The Petitioner shall maintain access studios for use by interested groups for production of PEG access programming which shall have the minimum equipment and hours as specified in the ordinance. Use of the access studios, equipment and editing facilities shall be available free of charge to interested groups on a first-come first-served basis. The Petitioner shall also provide some remote equipment for use on field shoots. The Petitioner shall provide technical advice and assistance free of charge.
- 15. Upon request by the Borough, the Petitioner shall provide free access training for Borough residents and interested groups.
- 16. The Petitioner shall provide the standard installation and monthly basic and expanded basic service, free of charge, to the following locations in the Borough: a) Municipal Complex, including Borough Hall and the fire, ambulance and police buildings; b) the public library; c) the department of public works; and d) each elementary and secondary public school including Early Childhood Learning Center School or any future location in the Borough.
- 17. The Petitioner shall provide, free of charge, one high-speed cable modem and monthly Internet access service, including standard installation, to each elementary and secondary public school including Early Childhood Learning Center School or any future location in the Borough.
- 18. The Petitioner shall provide, free of charge, one high-speed cable modem and monthly Internet access service, including standard installation, to the Municipal Complex. The Borough, at its own cost, may link the modem provided to the Borough to up to three additional personal computer terminals in the Municipal Complex.
- 19. The Petitioner shall provide the Borough with an annual written report no later than February 1st of each year regarding changes in rates and programming, service enhancements in compliance with the Borough's ordinance and other such matters as may be of interest to the Borough.
- 20. The Petitioner shall implement a 10% discount off the monthly rate for basic service for senior citizens who meet the income and residency requirements of the Pharmaceutical Assistance to the Aged and Disabled ("PAAD") program, as allowed by N.J.S.A. 48:5A-11.2.

Based upon these findings, the Board **HEREBY CONCLUDES**, pursuant to N.J.S.A. 48:5A-17(a) and 28(c), the Petitioner has the municipal consent necessary to support the petition, that such consent and issuance thereof are in conformity with the requirements of N.J.S.A. 48:5A-1 et seq., that the Petitioner has complied or is ready, willing and able to comply with all applicable rules and regulations imposed by or pursuant to State or federal law as preconditions for engaging in the proposed cable television operations, that the Petitioner has sufficient financial and technical capacity, meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment, and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is **HEREBY ISSUED** this Renewal Certificate of Approval as evidence of Petitioner's authority to construct and operate a cable television system within the entirety of the Borough.

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. The Petitioner shall adhere to the standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> §76.1 <u>et seq.</u>, including but not limited to, the technical standards of 47 <u>C.F.R.</u> §76.601 through §76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire on November 21, 2009.

DATED:	July 9, 2003		BOARD OF PUBLIC UTILITIES BY:
		(signed) JEANNE M. FOX	
		PRESIDENT	
(signed)			(signed)
FREDERICK F. BUT COMMISSIONER	LER		CAROL J. MURPHY COMMISSIONER
(signed)			(signed)
CONNIE O. HUGHE COMMISSIONER	S		JACK ALTER COMMISSIONER
ATTEST:			
(signed)			
KRISTI IZZO			

SECRETARY